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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91189418
Party	Defendant Phoenix 2008 LLC
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Submission	Opposition/Response to Motion
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Date	12/05/2009
Attachments	Phoenix Mot for Leave, Mot to Strike, Response.pdf (31 pages)(544362 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Application Serial Nos.:	77476098 77497086 77476107 77478035
Filed:	May 15, 2008 June 12, 2008 May 15, 2008 May 19, 2008
Marks:	SPEEDVISION SPEEDVISION SPEEDVISION HD SPEEDVISION (and Design)
Publication Date:	November 25, 2008 (for all opposed applications)

Speed Channel, Inc.

Opposer,

v.

Phoenix 2008 LLC,

Applicant.

Opposition No. 91189418

MOTION FOR LEAVE TO FILE
(1) MOTION TO STRIKE, OR IN THE ALTERNATIVE, (2)
RESPONSE TO A NEW ISSUE RAISED BY SPEED CHANNEL, INC.'S REPLY

Applicant Phoenix 2008 LLC ("Applicant" or "Phoenix") respectfully submits this motion for leave (1) to file the following motion to strike, or alternatively, (2) to submit its response to a new issue raised by Speed Channel, Inc.'s Reply, filed on November 24.

I. Background

On June 5, 2009, Speed Channel, Inc. ("Opposer") served extensive discovery requests on Applicant, which included Opposer's First Set of Interrogatories ("Interrogatories"), First Set

of Requests for Production of Documents and Things ("Document Requests"), and First Set of Requests for Admissions ("Admissions"). Applicant timely provided Opposer with complete responses to each and every one of Opposer's discovery requests. With respect to its response to Opposer's Document Requests, Applicant informed Opposer that it had not, at that time, identified any documents responsive to any of the Document Requests.

Opposer immediately accused Applicant of providing incomplete and unresponsive answers, raising frivolous and inappropriate objections, and intentionally withholding documents, all of which (and more) were detailed in an 18-page letter to Applicant dated September 10, which provided only one day's notice for Applicant to acquiesce to each of Opposer's demands set forth in the letter. Those demands included, among other things, that Applicant supplement its responses, remove objections that Opposer deemed frivolous, and produce documents without objection.

Before Applicant had responded to the substance of the September 10 letter, Opposer filed its Motion to (1) Compel Applicant's Responses to Speed Channel's First Set of Requests for Production of Documents and its First Set of Interrogatories; (2) Test the Sufficiency of Applicant's Responses to Speed Channel's Requests for Admissions; and (3) Suspend ("Motion to Compel"). The Motion to Compel substantially reiterated the demands set forth in Opposer's September 10 letter, and underlies this instant motion proceeding.

Applicant timely filed its response to Opposer's Motion to Compel on November 2, demonstrating, among other things, that the Motion to Compel substantially and without leave exceeded the Board's strict page limit on motion briefs, and was otherwise moot in light of the supplemental responses and production of documents that Applicant provided, pursuant to its

continuing duty to supplement, after the filing of Opposer's Motion to Compel and Applicant's response thereto.

On November 23, Opposer filed its Reply. The Reply does not contest that the Motion to Compel exceeded the Board's page limits without leave to do so, but merely appeals to the Board to accept the pleading after the fact. More importantly, however, for purposes of the instant filing, the Reply objects to Applicant's supplemental production of documents, specifically challenging the appropriateness of redactions made to a group of documents that Applicant designated as "Trade Secrets/Commercially Sensitive" (hereinafter referred to as the "Redacted Documents"), which designations Applicant made pursuant to the Board's Standardized Protective Agreement ("Standardized Order"). The Redacted Documents contain critical confidential trade secrets and commercially sensitive information – including financial projections, business strategies and the identities of key business partners and customers– that are fundamental to Applicant's core business, the disclosure of which would be potentially devastating to Applicant's business, as well as to its business relationships identified throughout the Redacted Documents. The Reply also seeks a Board order to compel Applicant to produce fully unredacted versions of the Redacted Documents, thereby allowing Opposer to inappropriately gain unlimited access to Applicant's critical business secrets without adequate assurances of their continued confidentiality during *and after* this proceeding.

II. Motion for Leave to File Motion to Strike, or in the Alternative, Response to a New Issue

Applicant files this instant Motion for Leave so that it may address a new issue that Opposer has raised for the first time in its Reply. Applicant recognizes that the Board discourages reply briefs, *see* TBMP § 502.02(b) (The "filing of reply briefs is discouraged, as the Board generally finds that reply briefs have little persuasive value and are often a mere

reargument of the points made in the main brief."), and generally prohibits the filing of further papers following a reply, *see* 37 C.F.R. § 2.127(a); TBMP § 502.02(b). Where a party raises a new issue in a reply, the Board will generally disregard those portions of the reply that relate to the new issue. However, where the Board decides not to disregard such new issues, it has accepted responsive filings to more fully resolve the matter at hand. *Cf. Datanational Corp. v. Bellsouth Corp.*, 18 USPQ3d 1862, 1991 WL 325867, at *2 n.3 (TTAB 1991) (finding that surreply is appropriate where new matter is raised on reply).

As noted above, Opposer's Reply objects to the appropriateness of the redactions made to the Redacted Documents, and seeks an order compelling Applicant to remove all of its redactions. However, the Redacted Documents were not produced until well after the Motion to Compel was filed, and shortly following Applicant's response to the Motion to Compel as part of Applicant's supplemental responses and production of documents. Moreover, the issue of redacting documents was not addressed in the parties' prior filings (*i.e.*, in Opposer's Motion to Compel and Test Admissions, or Applicant's response thereto). Thus, the Redacted Documents are not part of, and therefore not germane to, the original issues in question in this motion proceeding.

To not grant Applicant this opportunity to either move to strike Opposer's non-germane matter, or to respond to it, would deny Applicant its due process rights. By objecting to the Redacted Documents in a Reply, Opposer has not provided adequate notice of Opposer's request for a Board order, and has not afforded Applicant a formal and fair opportunity to respond to the claim. The fact that Applicant informed the Board that it would produce supplemental documents (which included the Redacted Documents) to Opposer as part of the basis of its argument that the Motion to Compel is moot does not negate the fact that objections to the

contents of the Redacted Documents (specifically, the redactions thereto) introduce a new set of issues requiring a proper motion and fair opportunity to respond.

Practically speaking, unless Applicant is given the opportunity to respond, Opposer's Reply could force Applicant to divulge its most critical trade secrets and commercially sensitive information, including financial projections, business strategies and the identities of key business partners and customers, without adequate assurances that Speed Channel, a direct and most formidable competitor to Applicant, would not gain access to such confidential information. Indeed, Opposer and its counsel have refused to execute any protective order that would ensure the confidentiality of Applicant's trade secrets *after* termination of this proceeding. Moreover, Opposer and its counsel have already demonstrated that neither will comply with the terms of the Standardized Order, as discussed more fully in Applicant's Response to a New Issue.

For the foregoing reasons, Applicant should be granted this opportunity to address Opposer's objections to the Redacted Documents, out of both procedural fairness and concern for the protection of Applicant's critical trade secrets from unwarranted disclosure. Applicant therefore respectfully requests that, if the Board does not, by its own accord, disregard new issues raised in the Reply, the Board should grant Applicant's Motion for Leave, and consider the following Motion to Strike, or in the Alternative, Response to a New Issue.

III. Applicant's Motion to Strike

Opposer argues in its Reply that it was "inappropriate" for Applicant to redact information from the Redacted Documents, and requests the Board "to order Applicant to supplement its Discovery Responses by producing unredacted versions of the Redacted Documents." Non-Confidential Reply at 7; Confidential Reply at 7. As explained above, the question of whether Applicant's redactions were "inappropriate" raises an issue that goes beyond

the scope of the original issues in this motion proceeding, since the Redacted Documents were not produced until well after the Motion to Compel was filed. Thus, to the extent that the Board does not, on its own, disregard new issues raised in the Reply, Applicant requests that the Board strike these new issues, and specifically, any discussion about the Redacted Documents, from the Reply.

In addition, the Board may grant Applicant's Motion to Strike based on Opposer's violation of the Board's September 29 Order that suspended the opposition pending disposition of Opposer's Motion to Compel. That Order instructed that the parties "should not file any paper which is not germane to the aforementioned motions." Opposer's objections to the Redacted Documents clearly are "not germane" to this motion proceeding, since the Redacted Documents were not provided until well after the original Motion to Compel was filed. Accordingly, the Board should strike new issues from the Reply, specifically, any discussion about the Redacted Documents.

The Board also may grant the Motion to Strike because the Reply fails to provide fair notice of Opposer's claim against the Redacted Documents. The Board has held that the primary purpose of a pleading is to give fair notice of a claim, thus, a motion to strike is appropriate in cases where the inclusion of new matter would prejudice the adverse party. *See* TBMP § 506.01. The Reply seeks an order to compel Applicant to divulge its most critical and confidential trade secrets, including the identities of its business partners and customers who may themselves be competitors to Speed Channel or its cable affiliates. For the Board to consider Opposer's objections to the Redacted Documents, without giving Applicant a fair opportunity to be heard, would be extremely prejudicial to Applicant and a violation of due process.

For the foregoing reasons, the Board should grant Applicant's Motion to Strike, and remove all new issues raised for the first time in Opposer's Reply, specifically, all discussions related to Applicant's Redacted Documents.

IV. Applicant's Response to a New Issue

If the Board decides to consider Opposer's objection to the Redacted Documents (which Applicant respectfully submits it should not), the Board will find that the redactions at issue are reasonable given the nature of the Redacted Documents and the circumstances in which they were produced. Furthermore, the redactions are entirely justified given Opposer's recent indication that it does not intend to comply with the terms of the Standardized Order. Thus, Opposer's objections to the Redacted Documents are without merit, and should be dismissed.

A. The Redactions At Issue Are Reasonable

Opposer complains that Applicant's redactions are "inappropriate," and requests the Board to order Applicant to produce unredacted documents. To the contrary, Applicant's redactions are entirely reasonable, given the nature of the Redacted Documents and the circumstances in which they were produced.

Nothing in the TBMP, the Standardized Order or the Board's rules precludes a party from redacting trade secrets or commercially sensitive information from documents that it produces to its opponent. The fact that the rules address redactions in the context of filings made with the Board has no bearing on the parties' treatment of trade secrets or commercially sensitive information during discovery. Indeed, there is even greater need to protect trade secrets when being merely exchanged between parties (in this case, direct competitors) during discovery, than when being tendered to the Board subject to all of the formalities and protections that attend that process. Moreover, the fact that the rules may not expressly *permit* redactions does not mean

that they impliedly *preclude* them.[1] To hold otherwise would suggest that the Board must treat all instances where its rules do not expressly permit an act as prohibiting the act. If Opposer disagrees with how Applicant has designated its confidential documents, including whether or not its redactions were appropriate, the Standardized Order allows for the complaining party to file a motion before the Board, but only if prior good-faith negotiations have failed. *See* Standardized Order ¶ 14. Opposer's request for a Board order fails to follow proper motion procedure, and the basis for its request to the Board reflects an absence of good faith consideration of the trade secret nature of the redacted information. The redactions at issue are not only permissible, but entirely reasonable.

The reasonableness of Applicant's redactions is underscored not just by the nature of the redacted information itself but by the fact that Opposer has refused to agree to reasonable provisions that would maintain the confidentiality of Applicant's protected materials not just during this proceeding, but after its conclusion. Indeed, without such provisions, any protection during the proceeding would be hollow indeed. Opposer has refused such provisions.

Prior to producing the Redacted Documents, Applicant attempted to negotiate a mutually agreeable protective order that would ensure the confidentiality of Applicants trade secrets during and after this proceeding. As explained above, the Redacted Documents contain highly confidential trade secrets and commercially sensitive information, the disclosure of which (especially to Speed Channel) would be potentially devastating to Applicant's core business, as well as to its business relationships identified throughout the Redacted Documents. However, Opposer refused to acknowledge Applicant's reasonable concerns, and unequivocally demanded

[1] In fact, the TBMP implies that redactions are appropriate, as the Board may refuse the discovery of confidential commercial information. *See* TBMP § 402.02.

that Applicant produce unredacted documents under the Standardized Order without any explanation as to why full disclosure would be necessary. *See* Exhibit A.

Applicant subsequently requested that both Opposer and its counsel at least execute the Standardized Order to ensure the confidentiality of Applicant's trade secrets following the conclusion of this proceeding. *See* Exhibit B. The Board itself has recognized that its jurisdiction ends following termination of a Board proceeding, which implies that it would have no continuing authority to enforce the Standardized Order. *See* Standardized Order ¶ 15. The Board has thus instructed that "the parties are responsible for the protection of their confidential information outside of the Board proceeding." 72 Fed. Reg. 42251 (attached as Exhibit C). Applicant's efforts to execute the Standardized Order such that it would continue in force after the end of this proceeding were simply intended to ensure the confidentiality of its trade secrets, as contemplated by the Board. *Id*.

Realizing that Opposer was unwilling to waver from its position, but desiring to comply with its discovery obligations to the fullest extent possible, Applicant produced its supplemental documents, including the Redacted Documents, but redacted from the Redacted Documents Applicant's trade secrets and other commercially sensitive information, out of concern for the potential disclosure of this information absent adequate and continuing protection upon conclusion of this proceeding. As discussed more fully below, the redactions are necessary to protect against the irreparable harm that would result if Speed Channel gained access to Applicant's trade secrets, including the identities of its business partners and customers. Indeed, Opposer Speed Channel has much to gain by learning Applicant's highly confidential trade secrets and its business relationships. At the same time, Applicant has everything to lose.

1. Disclosure of Trade Secrets to Opposer Would Cause Irreparable Harm to Applicant

By designating the Redacted Documents as "Trade Secret/Commercially Sensitive," the Standardized Order makes the Redacted Documents available only to Opposer's outside counsel. *See* Standardized Order ¶ 3. The Standardized Order, however, is apparently not enforceable after the proceeding ends. *See* Standardized Order ¶ 15; 72 Fed. Reg. 42251. Thus, without a continuing protective agreement between the parties, there would be nothing to prevent Speed Channel executives from gaining access to Applicant's trade secrets or the information they contain after conclusion of this proceeding. If knowingly disclosed to Opposer now under such circumstances, Opposer no doubt would defend against any subsequent efforts by Applicant to prevent the further use or disclosure of its trade secrets by asserting that Applicant had waived its right to any such protection.

If Opposer Speed Channel were in fact able to gain access to Applicant's trade secrets, including the identities of Applicant's business partners and customers, Speed Channel could use that knowledge, in combination with its vast financial resources and network of cable television system affiliates, to undermine Applicant's efforts in securing programming distribution deals, developing new and existing business relationships, and otherwise growing its business. The fact that the business interests of Applicant and its business partners and customers may substantially overlap with those of Speed Channel makes it even more likely that Speed Channel would use Applicant's trade secrets to gain a competitive advantage. It is for that reason that the American Law Institute treats the identity of business relationships as among the most sensitive trade secret information entitled to the highest degree of protection. *See, e.g.*, Restatement (Third) of Unfair Competition, § 39 cmt. d ("A trade secret can also relate to other aspects of business operations such as…the identity and requirements of customers."); *id* § 39 cmt. a (recognizing the "unfairness inherent in obtaining a competitive advantage through a breach of

confidence"). *See also* First Restatement of Torts, § 757 cmt. c ("One who has a trade secret may be harmed merely by the disclosure of his secret to others as well as by the use of his secret in competition with him. A mere disclosure enhances the possibilities of adverse use."). More recently, the Uniform Trade Secrets Act, currently adopted by 43 states and the District of Columbia,[2] emphasized that trade secrets demand the preservation of confidentiality through all reasonable means. *See* Uniform Trade Secrets Act, as amended, § 5 (1985); *cf. Georgia-Pacific Corp. and Fort James Operating Co.*, Opp. No. 91157923, slip op. at 10 n.6 (TTAB, Aug. 24, 2006) (acknowledging the Uniform Trade Secrets Act); Connecticut Uniform Trade Secrets Act, Conn. Gen. Stat. § 35-50 *et seq*.; California Uniform Trade Secrets Act, Cal. Civ. Code § 3426 *et seq*.

Even if Applicant could seek a remedy in court for the inappropriate access and use of Applicant's trade secrets, the damage would already be done, and any remedy that a court could issue would be of little consequence (not to mention that Applicant would be required to expend even more of its personal resources, which is exactly what Opposer apparently intends). *See* Restatement (Third) of Unfair Competition, § 44 cmt. g (recognizing that "the loss to a trade secret owner from the unauthorized use or disclosure of a trade secret is often difficult to remedy through a subsequent award of monetary relief"). On information and belief, it appears that Opposer expects to coerce Applicant into abandoning its applications rather than face the prospect of disclosing its trade secrets to Speed Channel in light of the substantial risk of irreparable harm, in addition to the expense that Opposer is heaping on Applicant in this proceeding. The Board should not allow Opposer to use discovery in order to gain an unfair competitive advantage in the guise of a discovery request.

[2] http://www.law.cornell.edu/uniform/vol7.html#trdsec

The Board should therefore find that, under these circumstances, the redactions are reasonable, and dismiss Opposer's demand that Applicant provide Speed Channel unredacted copies of its highly confidential trade secrets, its business plans and strategies, and business relationships.

B. The Redactions At Issue Are Justified Because Opposer and Its Counsel Do Not Intend to Comply with the Standardized Order

Not only are the redactions reasonable, but they are justified in light of Opposer's recent indication that it will not comply with the Standardized Order. After at first agreeing to adhere to the terms of the Standardized Order, and after it got a hold of Applicant's Redacted Documents, Opposer subsequently notified Applicant that neither Speed Channel nor its counsel would agree to return any protected materials produced by Applicant, in direct violation of the Standardized Order.

The Standardized Order is clear that neither a party nor its counsel may retain copies of protected information without consent. Paragraph 15 of the Standardized Order states that:

> The parties may agree that archival copies of evidence and briefs may be retained, subject to compliance with agreed safeguards. Otherwise, within 30 days after the final termination of this proceeding, the parties and their attorneys ***shall return*** to each disclosing party the protected information disclosed during the proceeding, and shall include any briefs, memoranda, summaries, and the like, which discuss or in any way refer to such information. In the alternative, the disclosing party or its attorney may make a written request that such materials be destroyed rather than returned.

(Emphasis added.) In other words, absent an alternate agreement, by default, parties ***must*** return all confidential materials within 30 days. *See also* 72 Fed. Reg. 42251 (finding that, pursuant to the Standardized Order, "information or material disclosed in accordance with the terms of the order is for use solely in connection with the Board proceeding and ***must be returned*** to the disclosing party at the conclusion of the proceeding") (emphasis added).

Prior to producing the Redacted Documents, Applicant specifically informed Opposer's counsel that it would not agree to allow counsel (or Speed Channel) to maintain archival copies of Applicant's trade secrets, and explicitly instructed counsel that it must return all protected materials pursuant to the Standardized Order's default rule. *See* Exhibits B and D. Opposer's counsel confirmed that it would comply with the terms of the Standardized Order. *See* Exhibit D. Relying on counsel's representation, Applicant produced highly confidential documents, but because Opposer and its counsel refused to extend confidentiality after the proceeding, Applicant had no choice but to redact its trade secrets.

The redactions, it turned out, were justified. Shortly after producing its confidential documents to Opposer, Opposer's counsel informed Applicant that Speed Channel would only "consider" returning confidential documents, and that counsel would in fact "retain one copy for [its] files." *See* Exhibit E. Not only is this a blatant violation of Paragraph 15 of the Standardized Order and Applicant's explicit instructions to the contrary, it also voids whatever confidence the Board may have had in a party's ability to maintain the confidentiality of another's protected materials. In adopting the rules that established the Standardized Order as the default protective agreement in Board proceedings, the Board specifically recognized that the requirement under the Standardized Order that parties return all confidential materials following the conclusion of the proceeding is essential to limiting the opportunities for a breach of confidentiality after a proceeding ends. In fact, in response to commenters' concern that the Standardized Order would not assist parties if protected information is revealed after the conclusion of a proceeding, the Board explained that, because the Standardized Order requires that protected information "must be returned to the disclosing party at the conclusion of the

proceeding,…opportunities for breach after a proceeding are very limited" and that "allegations of breach after conclusion of a proceeding are extremely rare." 72 Fed. Reg. 42251.

While the Board's sound reasoning may hold true where parties do, in fact, comply with the Standardized Order, that is not the case here. By declaring that Opposer's counsel would retain copies of Applicant's trade secrets, and that Speed Channel itself would only "consider" returning such materials (after specific instructions from Applicant not to do so), the Board's Standardized Order, without more, provides Applicant with no assurance whatsoever that the trade secrets contained in the Redacted Documents would remain confidential after this proceeding. Applicant's redactions were thus not only reasonable, but they turned out to be necessary in light of Opposer's blatant disregard for Applicant's confidential interests or the Board's Standardized Order.

The Board should thus find that, under these circumstances, the redactions are both reasonable and justified, and dismiss Opposer's demand that Applicant provide Speed Channel unredacted copies of its highly confidential trade secrets, its business plans and strategies, and business relationships.

C. The Reply Does Not Comply with Proper Board Procedure for Filing Motions

As noted above, Opposer seeks an order that would force Applicant to reveal its trade secrets to a competitor. However, this request is not within the scope of the original Motion to Compel, since it relates to the Redacted Documents that were produced well after the Motion to Compel was filed. Moreover, the request lacks any of the formal requirements of a proper motion, and thus, fails to comply with Board procedure on the filing of motions. . *Cf*. Standardized Order ¶ 14 (directing parties to "negotiate in good faith regarding the designation

by the disclosing party," and then "make a motion before the Board seeking a determination of the status of the information").

Because Opposer has failed to properly request a Board order by following proper Board motion procedure, the Board should dismiss Opposer's demand that Applicant provide Speed Channel unredacted copies of its highly confidential trade secrets, its business plans and strategies, and business relationships.

D. The Board Should Find that Applicant's Redactions are Reasonable and Justified, Or Alternatively, the Board Should Require Opposer and its Counsel to Execute the Standardized Order and Agree to be Bound Not Only During But *After* this Proceeding

For all of the foregoing reasons, the Board should reject Opposer's demand that Applicant disclose all of its highly confidential trade secrets, its business plans and strategies, and the identity of its business partners and customers, to one of its most formidable competitors, Speed Channel, as neither Speed Channel nor its counsel has given any assurances that either will maintain the confidentiality of Applicant's protected information during or after this proceeding.

However, in an effort to facilitate the resolution of this proceeding, Applicant stands ready, as it always has, to produce limited redacted documents upon Opposer and its counsel executing the Standardized Order to ensure that Applicant's most highly intimate and confidential business information is not inappropriately used or disclosed (in written or oral form) following termination of this proceeding.[3] The limited redactions that Applicant seeks to impose would only be applicable to the identities of Applicant's business partners and customers. These limited redactions are essential to protect Applicant's business relationships, as well as the

[3] This includes the requirement that Opposer's counsel, and where applicable Speed Channel, return all protected materials within 30 days following the termination of this proceeding, pursuant to Paragraph 15 of the Standardized Order. Furthermore, the Board should clarify that this requirement inherently prohibits parties (and their counsel) from disclosing any knowledge gained from viewing protected information, including oral and written disclosures.

interests of its business partners and customers who may rely on Applicant's confidence to protect their own business interests. This is especially crucial given that many of Applicant's business partners and customers may be direct competitors of Speed Channel or its cable affiliates, and because the business interests of Applicant, its business partners and customers and Speed Channel may substantially overlap. *See supra* at 10-11 (citing authority for secrecy of business relationships). Opposer has no need for the actual identities of these business partners and customers, and has refused to provide any demonstration of need to Applicant. *See* TBMP § 402.02 (noting that Board may refuse to permit discovery of confidential commercial information, including identity of customers and other business relations, and citing *Johnston Pump/General Valve Inc. v. Chromalloy American Corp.*, 10 USPQ2d 1671, 1675 (TTAB 1988) for proposition that "unless issue is abandonment or first use, party need not reveal names of its customers, including dealers, it being sufficient to identify classes of customers and types of businesses"). Applicant is prepared to provide Opposer with general descriptions of the class of business partners and customers, and the nature of their business interests, redacted from the Redacted Documents, which will give Opposer sufficient understanding of the context of Applicant's confidential documents. In no event, however, should the Board consider giving Opposer full, unredacted access to the identity of Applicant's business partners and customers without Opposer first making a compelling showing of its need to access such information, and doing so in compliance with proper Board procedure, which would afford Applicant its statutory right to notice thereof and an opportunity to respond.

WHEREFORE, Applicant respectfully requests that the Board grant Applicant's Motion for Leave to address the new issue raised in Opposer's Reply that is related to Applicant's Redacted Documents. Furthermore, Applicant requests that the Board grant its Motion to Strike

all new issues raised for the first time in the Reply, specifically, issues related to the Redacted Documents. In the alternative, Applicant requests that the Board find that Applicant's redactions are reasonable and justified, and dismiss Opposer's request for an order demanding full and unmitigated access to Applicant's trade secrets. If the Board deems it appropriate, Applicant is willing to provide limited redacted versions of the Redacted Documents, but only after Opposer and its counsel execute the Standardized Order, agree to return all protected materials following termination of the proceeding, acknowledge that the Standardized Order continues after the conclusion of this proceeding, and, if needed, show cause as to why it is also necessary for Opposer's counsel to gain access to the identities of Applicant's business partners and customers named throughout the Redacted Documents.

Respectfully submitted,

By: 

Brian J. Hurh

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Counsel for Phoenix 2008 LLC

December 5, 2009

EXHIBIT A

Hurh, Brian

From: Bruso, Daniel [DBruso@CantorColburn.com]
Sent: Friday, October 23, 2009 5:50 PM
To: Hurh, Brian
Subject: Re: Speedvision

We will not execute the Protective Order on those terms.

Do not forget that you also owe us the Speedvision files. We expect to teceive them immediately, and will notify the DC bar if they do not arrive promptly.

-----Original Message-----
From: Hurh, Brian <BrianHurh@dwt.com>
To: Bruso, Daniel <DBruso@CantorColburn.com>
Sent: Fri Oct 23 17:17:57 2009
Subject: RE: Speedvision

Daniel,

My intention is to produce the documents/things on or before the date our reply to the Motion to Compel is due (Nov 2), so likely sometime next week. If there is any delay with respect to one or more of these documents/things, I will see that you receive such documents/things before any deposition is held. This is simply due to the practical matter of preparing the documents/things for production.

Speaking of our Reply, I received the paper copy of the Board's grant of the extension, and upon a closer reading, it appears that the attorney inadvertently extended the deadline to November 14. We still intend to respond by Nov. 2nd as agreed, and will let the Board attorney know of the wrong date.

As for the protective order, my client is still uncomfortable with providing unredacted copies of highly confidential materials to in-house counsel, and in fact, insists that only redacted copies of such materials be provided to BOTH your firm and in-house counsel. We do not see any compelling need for you or your client to know, for example, the identity of any third-party that may be named or otherwise identified in any of these confidential materials. We can supply you with a general description of the redacted information (for example, a general description of redacted third-parties), in order to give you adequate context of the documents. However, absent an adequate showing of need, Phoenix will only produce redacted copies of materials marked as "Confidential-Attorneys Eyes Only" to you or to in-house counsel, pursuant to an executed protective order.

Brian

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EXHIBIT B

Hurh, Brian

From: Hurh, Brian
Sent: Friday, November 06, 2009 4:35 PM
To: 'Bruso, Daniel'
Subject: RE: Speed

Daniel,

I did not mean that Phoenix would sign for Speed. I only meant that Phoenix is willing to sign the standard PO, which can only protect Speed's interests further. Sorry for the confusion.

There appears to be some disagreement as to how the standard PO applies and whether the parties should sign. I can respond in more detail now, or we can agree to discuss this on Monday after you return, it that makes your weekend (and mine) easier to enjoy. I'm fine either way - but please note that Phoenix is unable to produce documents that contain confidential trade secrets until we resolve our differences over the standard PO.

Brian

Brian Hurh | Davis Wright Tremaine LLP
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Tel: (202) 973-4279 | Fax: (202) 973-4499
Email: brianhurh@dwt.com | Website: www.dwt.com

From: Bruso, Daniel [mailto:DBruso@CantorColburn.com]
Sent: Friday, November 06, 2009 4:15 PM
To: Hurh, Brian
Subject: Re: Speed

Brian,

Following up on my last response, Speed Channel does not authorize Phoenix or any other entity to sign anything on its behalf.

Additionally, I'm not clear whether you are referring to the Standardized Protective Order, in which case no signature is necessary, or to an amended version, in which case we will consider your request once have reviewed its terms.

-----Original Message-----
From: Hurh, Brian <BrianHurh@dwt.com>
To: Bruso, Daniel <DBruso@CantorColburn.com>
Sent: Fri Nov 06 14:59:49 2009
Subject: RE: Speed

Daniel,

I haven't heard back from you, so just wanted to be sure you knew where we stood. I understand that you may be unavailable at this time.

Because of the ambiguity in the PO's enforceability after the proceeding ends, Phoenix believes that it would be in both parties' interest to have parties and attorneys sign with acknowledgement that the PO will remain in force after termination of the proceeding before the Board. Please confirm whether Speed agrees to sign the PO under these conditions. Phoenix is ready to sign the PO for Speed's benefit.

I will otherwise remove the redlines from before if that remains a point of contention, and simply state that Phoenix requests that Speed will return all protected information, including copies if any, back to Phoenix within 30 days after termination of the proceeding, as provided for in the PO. Please let me know what Speed would like me to do with its protected copies.

Also, I need to know if Speed agrees that if Phoenix produces any privileged materials to Speed, that it does so without waiver of any privilege as to any other document or communication. Phoenix will, of course, extend the same courtesy to Speed.

Brian

Brian Hurh | Davis Wright Tremaine LLP
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From: Hurh, Brian
Sent: Thursday, November 05, 2009 5:34 PM
To: 'Bruso, Daniel'
Subject: RE: Speed

The parties can still sign it, if anything, to preserve our rights after termination of the proceeding. The Board's jurisdiction ends upon termination of the proceedings.

As for the "change," it is not really a change but a choice among the options set forth by the protective order with respect to how to handle materials after the proceeding ends. Phoenix would prefer that Speed return protected information per the PO, as opposed to the other option that Speed keep archival copies. Alternatively, if Speed prefers, I can destroy all protected copies upon termination of the proceedings. But as for Phoenix, we would prefer that Speed return materials to me.

I just wanted to clarify this portion of the PO, and would still prefer the parties to sign to ensure both sides preserve their rights after the proceeding ends.

Brian

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From: Bruso, Daniel [mailto:DBruso@CantorColburn.com]
Sent: Thursday, November 05, 2009 5:27 PM

To: Hurh, Brian
Subject: Re: Speed

Brian,

The Standardized Protective Order applies to all proceedings. The parties do not need to sign it.

I'm out of the office until Monday. In the meantime, we expect that Phoenix will produce documents and things in accordance with the Order as issued by the Board.

In our view, no changes are necessary. Thus, please explain why Phoenix believes that this change is necessary?

In the meantime, we'll review and consider your request

-----Original Message-----
From: Hurh, Brian <BrianHurh@dwt.com>
To: Bruso, Daniel <DBruso@CantorColburn.com>
Sent: Thu Nov 05 16:41:55 2009
Subject: Speed

Daniel,

We would like the parties and their attorneys (ie, you and me) to execute the Standard Board Protective Order before producing confidential documents. I copied the Standard PO language from the TTAB's website into the attached word document. The only "change" I am requesting is in Section 15, where the parties may agree to return any protected information within 30 days after termination of the proceeding. This provision is provided for in the Standard PO, so hopefully it will not be an issue of contention.

Please let me know if you agree to this provision, and when you may be able to obtain a signature from Speed.

Brian

<<USPTO Standard Protective Order.doc>>

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EXHIBIT C

announcement also explained that the Board may make orders designed to facilitate discovery and trial and that the Board therefore could impose the standard order in any case in which it would be appropriate to do so. The standard order is also discussed in the Board's manual of procedure, the TBMP, and the order itself is contained in the appendix of forms included in the manual.

The Board's interlocutory attorneys have routinely applied the standard order when parties are unable to agree on terms for a protective order and progress in discovery is being thwarted by the absence of a protective order. The Board's authority to impose the order has been upheld despite a challenge raised in a petition to the Commissioner. See Petition Decision Nos. 01–515 (July 2, 2002) and 01–515(r) (August 7, 2003), arising out of Opposition No. 91112956 (the latter petition decision viewable in the TTABVUE electronic proceeding file for the opposition). While the matter has not been empirically studied, it is believed that in the vast majority of cases in which the Board has imposed the order, the parties have complied with it without further modification. Nonetheless, the standard protective order has always been subject to supplementation or modification by the parties, upon agreement approved by the Board or upon motion of any party granted by the Board. This practice does not change under this final rule.

While many of the comments received in response to the proposed rule implicitly assume that the universal application of the standard order to inter partes cases was proposed only because of the initial disclosures required in the proposed rule, the reason for the rule change is broader. Universal application of the standard protective order should reduce some existing motion practice relating to discovery, regardless of the extent of initial disclosures required by rule. Accordingly, although this final rule, in response to many comments, scales back the extent of required initial disclosures, universal application of the standard protective order remains a part of this final rule. As noted above, the parties in any inter partes case are free to negotiate supplementary terms or to substitute an alternative order to which they may agree; and any party is free to move for addition of supplementary terms or substitution of a different order.

As for the comment that addressed possible breach of the protective order during a proceeding, it is noted that access to a party's confidential information is not provided as a matter of course in Board proceedings and confidential information need only be provided in response to a proper and relevant discovery request or when the party chooses to use such information in support of its case at trial. The imposition of the standard protective order provides assurances to a party that may need to reveal confidential information in response to a discovery request, so as to avoid adverse consequences that may result from failure to respond, or in support of its case at trial. Further, the attorney or party or any other individual receiving confidential information in response to a discovery request or during trial, may only obtain the information if it abides by the standard protective order's provisions. The standard protective order covers parties and their attorneys during a proceeding, defining the individuals that are encompassed by each designation. In addition, each independent expert or consultant, non-party witness, or individual not falling within the definition of party or attorney must sign an acknowledgment form agreeing to be bound by the standard protective order during and after the proceeding, as a condition for gaining access to protected information through a party or attorney. Thus, an attorney, party or non-party individual receiving confidential information does so voluntarily and, in return for access to the confidential information, is obligated to the disclosing party and the Board to abide by the provisions of the protective order, thereby providing the disclosing party with legal protection for harm it may suffer by any breach. Allegations of such a breach are very rare or nonexistent in Board proceedings, and no comment pointed to a reported incident involving breach. The Board's power to order sanctions for breach during a proceeding, and the Office's powers to discipline attorneys or sanction attorneys and parties are viewed as effective deterrents to breach.

As for the comments noting that the standard order does not account for all circumstances that may be presented by all inter partes cases, the Office acknowledges the accuracy of these observations. However, the Office also notes the standard order was never intended to account for all situations, and the parties are free to seek additional protections by agreement or motion. Further, the Board's interlocutory attorneys have experience dealing with situations in which a party's access to information may have to be restricted or precluded, including situations involving pro se parties.

As for the comments noting that universal application of the standard order does not assist parties if protected information is revealed after the conclusion of a proceeding, it is not at all clear that parties can be compelled to enter contracts that will govern their actions after the Board proceeding has concluded. While the Board encourages parties to consider creating a contract, the parties are responsible for the protection of their confidential information outside of a Board proceeding. See *Fort Howard Paper Co.* v. *G.V. Gambina Inc.*, 4 USPQ2d 1552 n. 3 (TTAB 1987) ("it is the function of counsel to decide what is in the best interest of the party"). On the other hand, because a party receiving confidential information in a Board proceeding voluntarily takes on obligations that benefit the disclosing party and the Board, a disclosing party may well have remedy at law if a breach were to occur after a Board proceeding concluded. In fact, the TBMP refers to one case in which a claim brought in a federal district court, alleging breach after conclusion of the Board proceeding, survived a motion to dismiss. See *Alltrade Inc.* v. *Uniweld Products Inc.*, 946 F.2d 622, 20 USPQ2d 1698 n.11 (9th Cir. 1991). In addition, the standard protective order provides that information or material disclosed in accordance with the terms of the order is for use solely in connection with the Board proceeding and must be returned to the disclosing party at the conclusion of the proceeding. The obligation to return protected material includes memoranda, briefs, summaries and the like that discuss or "in any way refer to" protected information or material. Therefore, opportunities for breach after a proceeding are very limited. As with the posited situations involving breach during a proceeding, allegations of breach after conclusion of a proceeding are extremely rare.

Comments subject 6 (Discovery Conference): Most comments did not specifically address the discovery conference requirement. One comment "generally supports" the conference requirement but did not add any suggestions or recommendations. One comment suggested that the final rule specify the subjects to be discussed during the conference. The same comment recommended that any Board Interlocutory Attorney or judge that is involved in a conference not be involved in the management or decision of the case, to ensure impartiality. Finally, this comment also recommended that the final rule be clarified to specify that the provision of

EXHIBIT D

Hurh, Brian

From: Bruso, Daniel [DBruso@CantorColburn.com]
Sent: Friday, November 06, 2009 7:57 PM
To: Hurh, Brian
Subject: Re: Speed
Follow Up Flag: Follow up
Flag Status: Completed

Speed Channel agress to the Board's Standardized Protective Order.

Speed Channel sees no reason to modify the Order. Regardless, Speed Channel will fully comply with the terms of the Order.

Speed Channel expects your client to produce all responsive documents in it's possession, custody or control.

-----Original Message-----
From: Hurh, Brian <BrianHurh@dwt.com>
To: Bruso, Daniel <DBruso@CantorColburn.com>
Sent: Fri Nov 06 18:50:03 2009
Subject: RE: Speed

To the contrary, Phoenix has not, and is not, refusing to produce documents.

As you know, we have documents ready to produce to SPEED. Some of the documents contain highly confidential, proprietary and trade secret material. Phoenix will not permit that information to be given to SPEED employees, including in-house counsel; it may be reviewed only by outside counsel.

Moreover, all protected materials must be returned within 30 days following the termination of this proceeding, as provided for in the Protective Order. This includes all such materials held by Speed or yourself. Accordingly, per the terms of the Board's Protective Order, Phoenix does not agree to allow Speed or its counsel to retain a file copy of such materials.

Any further suggestion that you or Speed may act contrary to the terms of the Protective Order is an express violation of the Protective Order, and we will do what is necessary to protect Phoenix's interests and rights.

In the meantime, we will continue to produce materials that do not require this degree of protection.

Brian

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EXHIBIT E

Hurh, Brian

From: Bruso, Daniel [DBruso@CantorColburn.com]
Sent: Wednesday, November 25, 2009 2:55 PM
To: Hurh, Brian; Mayhew, Dawn
Subject: Re: Part 4 (last part)

Brian,

Thank you for your e-mail.

Your suggestion that Speed Channel is somehow refusing to produce a privilege log is inaccurate and incorrect. Instead, and as I have already told you,we continue reviewimg documents for inclusion on Speed Channel's privilege log. However, reviewing the sheer volume of documents that Phoenix has requested is taking longer than I anticipated.

I hope to have at least a partial log to you by the end of next week.

Speed Channel will produce its documents without waiver or prejudice of any of its rights. This production will occur in Charlotte. We will work with you in order to arrange for mutually convenient times for both of us to review and inspect each party's documents.

Speed Channel maintains its objection to Phoenix's production of redacted socuments. Doing so is inappropriate under the Board's rules, the Federal Rules of Civil Procedure and the applicable case law.

Phoenix's suggestion that it is entitled to redact documents under the Standardized Order is equally flawed. As we have previously stated, the Standardized Order applies in all proceedings unless the parties agree to use something different.

In this case, Speed Channel has chosen to proceed under the Standardized Order. Thus, both parties are bound by its terms.

Phoenix's disagreement with Speed Channel's decision, while unfortunate, is utterly irrelevant to Phoenix's obligation to comply with its discivery obligations. Thus, Phoenix's redaction is unwarranted and inappropriate.

Speed Channel will consider eturning confidential documents at the conclusion of this proceeding. However, our office will retain one copy for our files. Of course, all retained documents will remain confidential and will be maintained in accordance with the terms of the Standardized Order.

I am still reviewing documents. When that process is complete, I'll try to give you an estimate of the volume so that we can schedule a document inspection.

We are not available to depose Mr. Williams on December 10. In addition, we are not willing to depose him until and unless @hoenix confirms that it has produced all non-privileged, responsive documents, without redaction.

We note Phoenix's empty threat to take action against Speed Channel. Please bear in mind that we continue our efforts to identify and produce responsive documents in accordance with Speed Channel's previously served responses. Additionally, we note that this proceeding remains suspended. Speed Channel reserves its ris right to seel an order striking any pleadimg filed in violation of the suspension order.

I am out of the office until Monday. If you'd like to discuss, please let me know so that we can schedule a convenient time.

-----Original Message-----
From: Hurh, Brian <BrianHurh@dwt.com>
To: Bruso, Daniel <DBruso@CantorColburn.com>
Sent: Wed Nov 25 13:56:43 2009
Subject: RE: Part 4 (last part)

Thank you for the notice of your filing.

Phoenix has still not received any privilege log from Speed, and has not for nearly 2 1/2 months since Speed filed its first

discovery responses. You last indicated that it would be produced this week at the latest, but that has not happened. If Speed continues to refuse to provide its privilege log, Phoenix will take whatever actions are necessary to compel Speed to comply with its discovery obligations.

I am also still waiting for your response regarding the production of privileged documents without waiver of any applicable privilege.

With respect to the redacted documents, as I had mentioned on previous occasions, the redactions in question are necessary since both you and Speed have refused to sign the protective order, and have therefore refused to acknowledge the continued confidentiality of these documents after the proceeding ends. If you and Speed are now willing to sign the protective order, please let me know so we can discuss this matter further.

In addition, you confirmed that Speed's documents would be available for inspection in Charlotte. Please let me know approximately how many pages of documents you intend to produce so that we can plan accordingly.

In the meantime, Roger Williams will be available for a deposition in the DC area on December 10th. Please let me know if this date works for you.

Brian

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CERTIFICATE OF SERVICE

I do hereby certify that a copy of the foregoing "Motion for Leave and Motion to Strike, or in the Alternative, Response to New Issues Raised in Speed Channel, Inc.'s Reply" was sent on via first-class mail on December 5, 2009 to:

Daniel E. Bruso, Esq.
Cantor Colburn LLP
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Hartford, CT 06103-3207